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FM AMEMBASSY NEW DELHI

TO RUEHC/SECSTATE WASHDC IMMEDIATE 4601

INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE

RUCNISL/ISLAMIC COLLECTIVE

RUEHBJ/AMEMBASSY BEIJING 7218

RUEHLO/AMEMBASSY LONDON 5642

RUEHMO/AMEMBASSY MOSCOW 2940

RUEHUL/AMEMBASSY SEOUL 1444 RUEHKO/AMEMBASSY TOKYO 5951

RUEKJCS/SECDEF WASHDC

RUEAIIA/CIA WASHDC

RHEHNSC/NSC WASHDC

RUEIDN/DNI WASHINGTON DC

RHHMUNA/HQ USPACOM HONOLULU HI

RUCNDT/USMISSION USUN NEW YORK 7319

RUEHGV/USMISSION GENEVA 8005

RUEKJCS/JOINT STAFF WASHDC

UNCLAS SECTION 01 OF 02 NEW DELHI 003096

SENSITIVE

SIPDIS

DEPARTMENT FOR SCA/INS

E.O. 12958: N/A

TAGS: PGOV PREL SOCI PINR KISL IN

SUBJECT: DIKSHIT DELIVERS DELHI FOR CONGRESS

REF: NEW DELHI 2969

11. (SBU) Summary: In a surprise, Delhi voters returned the Congress Party and Chief Minister Sheila Dikshit to power with a comfortable majority on December 8. The vote assumes greater significance because it occurred on November 29, during the Mumbai attacks. Bharatiya Janata Party (BJP) attempts to make terrorism an issue failed to resonate, with local issues such as water, roads and power foremost in voter's minds. Uttar Pradesh Chief Minister Mayawati's Bahujan Samaj Party (BSP) campaigned hard in Delhi and looked to possibly play spoiler or kingmaker but was unable to dent the Congress significantly. The election remained a referendum on the performance of Chief Minister Dikshit. She passed with flying colors, but voters are still looking to apportion blame for security failures at the national level. End Summary.

## Congress Surprises

12. (U) Popular Congress Chief Minister Sheila Dikshit's party won 42 of 70 seats to retain power in Delhi. While the tally is five seats less than in 2003, this third win in a row resounds all the more loudly given the Mumbai attacks and the prevalence of anti-incumbency in Indian politics. Although nominally a "state" election, Delhi is really just a large city, and the race more closely resembled a mayoral contest. Dikshit remains a well regarded, almost grandmotherly figure in Delhi. Her personality and her electoral appeal to continue development resonated with voters despite infrastructure problems.

BJP Fails to Capitalize

 $\P 3$ . (U) Early on in the campaign, most analysts predicted a BJP victory due mainly to anti-incumbency. Delhi has grown enormously in the last ten years, but infrastructure failed to keep pace. Lack of water, power shortages, too much traffic on too few roads and pollution had voters in the mood for change. But party infighting, an uninspiring Chief Minister candidate and a focus on terror instead of

infrastructure sealed the BJP's fate.

## BSP Wins More Votes, but not a Factor

14. (U) The BSP, despite winning 11 percent of the overall votes, won only two seats, not enough to play a role in forming the Delhi government. As usual, Mayawati targeted the lower castes, many of whom are transplants from Bihar and Uttar Pradesh. She campaigned personally in Delhi, headlining BSP rallies in constituencies reserved for Dalits. But Congress in particular countered with its own heavyweights: Prime Minister Singh, and Sonia Gandhi and son Rahul. The strict appeal to caste failed to resonate, and the BSP did nothing to spoil the Congress Party's surprising victory.

## Local Election, Local Issues

15. (SBU) Comment: Before the Mumbai attacks, a narrow Congress victory in Delhi was entirely possible. Sheila Dikshit remained a popular Chief Minister and the BJP and its Chief Minister candidate, V.K. Malhotra, ran an unimpressive campaign. The BJP made a strategic error when it chose to focus on terrorism instead of bread and butter issues such as water, roads and power. Yet even with the attacks in Mumbai, the BJP still failed to connect with Delhi's urban electorate. The personality driven nature of the race demonstrates the continued fraying of party politics. It wasn't so much the Congress Party as it was Sheila Dikshit

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who won. Although Mayawati's BSP won a significant share of votes with 11 percent overall, this was only good for two seats. The Delhi election, despite Mumbai, remained a referendum on Sheila Dikshit; she passed with flying colors. Next year's national elections, however, will feature national issues, and a much tougher BJP candidate in L.K. Advani. End Comment.